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COMMISSIONERS

WILLIAM A. MUNDELL

JEFF HATCH-MILLER

KRISTIN K. MAYES

GARY PIERCE

MIKE GLEASON - CHAIRMAN

WATER UTILITY OF NORTHERN

IN THE MATTER OF THE APPLICATION OF

SCOTTSDALE, INC. FOR A RATE INCREASE

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AZ CORP COMMISSION DOCKET CONTROL

Arizona Corporation Commission DOCKETED

MAY - 9 2008

DOCKETED BY

DOCKET NO. W-03720A-08-0225

NOTICE OF FILING

Water Utility of Northern Scottsdale ("WUNS"), files the affidavit of mailing and the attached Customer Notification regarding its rate application.

RESPECTFULLY SUBMITTED this 9th day of May 2008.

ROSHKA DEWULF & PATTEN, PLC

Michael W. Patten

Timothy J. Sabo One Arizona Center

400 East Van Buren Street, Suite 800

Phoenix, Arizona 85004

Original + 13 copies of the foregoing filed this 9th day of May 2008, with:

Docket Control
ARIZONA CORPORATION COMMISSION

1200 West Washington

Phoenix, Arizona 85007

| 1 | Copies of the foregoing hand-delivered/mailed this 9 th day of May 2008, to: |
|----|---|
| 2 | this 9 day of May 2008, to: |
| 3 | Lyn A. Farmer, Esq. Chief Administrative Law Judge |
| 4 | Hearing Division Arizona Corporation Commission |
| 5 | 1200 West Washington Phoenix, Arizona 85007 |
| 6 | Janice Alward, Esq. |
| 7 | Chief Counsel, Legal Division Arizona Corporation Commission |
| 8 | 1200 West Washington Phoenix, Arizona 85007 |
| 9 | Ernest G. Johnson, Esq. |
| 10 | Director, Utilities Division Arizona Corporation Commission |
| 11 | 1200 West Washington Phoenix, Arizona 85007 |
| 12 | Brian Bozzo |
| 13 | Compliance Manager, Utilities Division Arizona Corporation Commission |
| 14 | 1200 West Washington Phoenix, AZ 85007 |
| 15 | Frioenix, AZ 65007 |
| 16 | |
| 17 | Debbee Amaul |
| 18 | |
| 19 | |

| 1 2 | AFFIDAVIT OF PROOF OF MAILING DOCKET NO. W-03720A-08-0225 | | |
|----------|---|--|--|
| 3 | | | |
| 4 | STATE OF ARIZONA) | | |
| 5 |) ss. | | |
| 6 | County of Maricopa) | | |
| 7 | | | |
| 8 | I, Graham Symmonds, states as follows: | | |
| 9 | 1, Oraliani Symmonus, states as follows. | | |
| 10 | 1. I am the CTO and Senior Vice President Compliance & Regulatory Affairs | | |
| 11 | for Global Water. | | |
| 12 | 2. I certify that a copy of the attached notice, in Docket No. W-03720A-08- | | |
| 13 | 0225 was mailed via U.S. First-Class Mail to each customer of Water Utility of Northern | | |
| l | Scottsdale. | | |
| 14 | / | | |
| 15 16 | (i (a 14 - orb) | | |
| 17 | | | |
| 18 | Graham Symmonds | | |
| 19 | SUBSCRIBED AND SWORN to before me by Graham Symmonds, this | | |
| 20 | 9 ^{Trl} day of May, 2008 | | |
| 21 | 110. 4 | | |
| 22 | Dense M Seeverett | | |
| 23 | Notary Public | | |
| 24 | | | |
| 25 | My Commission Expires: May 17, 2011 DENISE M. SIEVWRIGHT | | |
| 26 | Notary Public - Arizona Maricopa County | | |
| 27 | My Comm. Expires May 17, 2011 | | |

CUSTOMER NOTIFICATION

Water Utility of Northern Scottsdale has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since January 2004. An increase in rates is necessary at this time due to the Company's continued operating loss and the Arizona Corporation Commission's order from Decision No. 62362 that the Company file for a rate case by April 30, 2008. Based on the Company's un-audited Test Year results, Water Utility of Northern Scottsdale realized an operating loss of (\$40.033). The Company is requesting a revenue increase of \$50,438 or 44.8% of total adjusted test year revenues (adjusted test year revenues include revenues from future customers, this offsets a portion of the burden of the rate increase from current customers to the Company). Please see the attached pages 9, 10 and 12 of the Company's application for the current and proposed rates.

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street or online at http://edocket.azcc.gov/edocket/and at Global Water in Phoenix at 21410 N 19th Avenue St. 201. Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application including service, billing procedures or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000 (if located outside the Phoenix local calling area) or 602-542-4251 in the Phoenix local calling area. Customers may also contact the Tucson Commission office by calling 800-535-0148 (if located outside the Tucson local calling area) or 520-628-6555 in the Tucson local calling area.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 15 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

COMPANY NAME: Water Utility of Northern Scottsdale Test Year Ended: 12/31/2007

Name of System: ADEQ Public Water System Number: 07-179

CURRENT AND PROPOSED RATES AND CHARGES

| Monthly Usage Charge | Present Rates | | Company Proposed Rates |
|---------------------------------------|--------------------------------------|----------|---------------------------|
| 5/8 x 3/4" Meter - All Zones an | d Classes \$ | 16.00 | \$ 27.90 |
| 3/4" Meter - All Zones an | | 20.00 | \$ 27.90 27.90 |
| 1" Meter - All Zones an | | 40.00 | 69.75 |
| 1½" Meter - All Zones an | | 80.00 | 139.50 |
| 2" Meter - All Zones an | | 128.00 | 223.20 |
| 3" Meter - All Zones an | | 240.00 | 446.40 |
| 4" Meter - All Zones an | | 400.00 | 697.50 |
| 6" Meter - All Zones an | | 800.00 | 1,395.00 |
| Commodity Rates | | | |
| 5/8 x 3/4" & 3/4" Meter | (Residential) | | |
| Gallons Included in Minimum | , | - | - |
| Excess of Minimum - per 1,000 Gallons | | | |
| From 1 to 12,000 Gallons | | \$4.0000 | N/A |
| Over 12,000 Gallons | | 5.0000 | N/A |
| From 1 to 4,000 Gallons | | N/A | \$ 3.6000 |
| From 4,001 to 7,000 Gallons | | N/A | 5.4000 |
| Over 7,000 Gallons | | N/A | 6.5000 |
| 5/8 x 3/4" & 3/4" Meter | (Commercial, Industrial & Standpipe) | | |
| Gallons Included in Minimum | | - | - |
| Excess of Minimum - per 1,000 Gallons | | | |
| From 1 to 12,000 Gallons | | \$4.0000 | N/A |
| Over 12,000 Gallons | | 5.0000 | N/A |
| From 1 to 7,000 Gallons | | N/A | \$ 5.4000 |
| Over 7,000 Gallons | | N/A | 6.5000 |
| 1" Meter | (Residential) | | |
| Gallons Included in Minimum | | - | - |
| Excess of Minimum - per 1,000 Gallons | | | |
| From 1 to 12,000 Gallons | \$ | 4.0000 | N/A |
| Over 12,000 Gallons | | 5.0000 | N/A |
| From 1 to 4,000 Gallons | | N/A | \$ 3.6000 |
| From 4,001 to 16,000 Gallons | | | 5.4000 |
| Over 16,000 Gallons | | N/A | 6.5000 |
| 1" Meter | (Commercial, Industrial & Standpipe) | | |
| Gallons Included in Minimum | | - | - |
| Excess of Minimum - per 1,000 Gallons | | | |
| From 1 to 12,000 Gallons | \$ | 4.0000 | N/A |
| Over 12,000 Gallons | | 5.0000 | N/A |
| From 1 to 16,000 Gallons | | N/A | \$ 5.4000 |
| Over 16,000 Gallons | | N/A | 6.5000 |

COMPANY NAME: Water Utility of Northern Scottsdale Test Year Ended: 12/31/2007

Name of System: ADEQ Public Water System Number: 07-179

CURRENT AND PROPOSED RATES AND CHARGES (continued)

| 1½" Meter Gallons Included in Mini Excess of Minimum - From 1 to 12,000 Over 12,000 Gall From 1 to 32,000 Over 32,000 Gall | per 1,000 Gallons) Gallons lons) Gallons | \$ 4.0000 5.0000 N/A N/A | | |
|--|--|---|---------------|-----|
| 2" Meter Gallons Included in Mini Excess of Minimum - From 1 to 12,000 Over 12,000 Gall From 1 to 60,000 Over 60,000 Gall | per 1,000 Gallons) Gallons lons) Gallons | \$ 4.0000 5.0000 N/A N/A | | |
| 3" Meter Gallons Included in Mini Excess of Minimum - From 1 to 12,000 Over 12,000 Gall From 1 to 120,000 Over 120,000 Ga | per 1,000 Gallons) Gallons lons)0 Gallons | \$ 4.0000 5.0000 N/A N/A | | |
| 4" Meter Gallons Included in Mini Excess of Minimum - From 1 to 12,000 Over 12,000 Gall From 1 to 200,000 Over 200,000 G | per 1,000 Gallons) Gallons lons)0 Gallons | \$ 4.0000 5.0000 N/A N/A | | |
| 6" Meter Gallons Included in Mini Excess of Minimum - From 1 to 12,000 Over 12,000 Gall From 1 to 400,000 Over 400,000 Gal | per 1,000 Gallons) Gallons lons)0 Gallons | \$ - 4.0000 5.0000 N/A N/A | | |
| (Standpipe) Fire Hydrar Minimum Charge based Gallons Included in Min Excess of Minimum - All Gallons | d on Meter Size (See Above) imum | \$ 4.00 | See Rates Abo | N/A |

COMPANY NAME: Water Utility of Northern Scottsdale Test Year Ended: 12/31/2007

Name of System:

ADEQ Public Water System Number: 07-179

CURRENT AND PROPOSED SERVICE CHARGES

| Service Line and Meter Installation Charges | Current | Proposed |
|--|---------------|----------|
| 5/8" x 3/4" Meter | \$ 485 | \$ 485 |
| 3/4" Meter | 485 | - |
| 1" Meter | 575 | • |
| 1½" Meter | 775 | |
| 2" Turbine Meter | 1,900 | • |
| 2" Compound Meter | N// | • |
| 3" Turbine Meter | 2,490 | 1 |
| 3" Compound Meter | 2, .00 N// | • |
| 4" Turbine Meter | 3,615 | |
| 4" Compound Meter | N// | • |
| 6" Turbine Meter | 6,810 | • |
| 6" Compound Meter | N// | • |
| o Compound Meter | 147 | 7,000 |
| Service Charges | | |
| Establishment of Service | \$ 30.00 | \$ 30.00 |
| Establishment of Service (After Hours) | 45.00 | |
| Reconnection of Service | 30.00 | 30.00 |
| Reconnection of Service (After Hours) | N/A | |
| Meter Test | 30.00 | 30.00 |
| Deposit Requirement (Residential) | • | .] * |
| Deposit Requirement (None Residential Meter) | • | · * |
| Deposit Interest | • | * |
| Re-establishment (Within 12 Months) | ** | · ** |
| NSF Check | 15.00 | 15.00 |
| Deferred Payment, Per Month | 1.50% | |
| Meter Re-Read | 20.00 | |
| Late Fee, Per Month | 1.50% | 6 1.50% |
| Deferred Payment, Per Month | N/A | |
| Charge of Moving Customer Meter - | | |
| Customer Requested per Rule R14-2-405B | Cos | Cost |
| Monthly Service Charge for Fire Sprinkler | | |
| <u> </u> | , | |
| Fire Sprinkler | N/A | A *** |
| | | I |

^{*} Per Commission Rules (R14-2-403.B)

^{**} Months off system times the minimum (R14-2-403.D)

^{*** 1.00%} of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines seperate and distinct from the primary water service line.